

State fiscal year for which the data is available.

(2) **TIMING.**—Amounts described in paragraph (1) (B) or (C) shall be distributed by a State to its local jurisdictions in accordance with State timetables for distributing local sales taxes, but not less frequently than every calendar quarter. Amounts described in paragraph (1)(A) shall be distributed by a State as provided under State law.

(3) **TRANSITION RULE.**—If, upon the effective date of this title, a State has a State law in effect providing a method for distributing local sales taxes other than the method under this subsection, then this subsection shall not apply to that State until the 91st day following the adjournment sine die of that State's next regular legislative session which convenes after the effective date of this title (or such earlier date as State law may provide). Local sales taxes collected pursuant to this title prior to the application of this subsection shall be distributed as provided by State law.

(d) **EXCEPTION WHERE STATE BOARD COLLECTS TAXES.**—Notwithstanding section 03(b) and subsections (b) and (c) of this section, if a State had in effect on January 1, 1995, a State law which provides that local sales taxes are collected and remitted by a board of elected States officers, then for any period during which such law continues in effect—

(1) the State may require the collection and remittance under this title of only the State sales taxes and the uniform portion of local sales taxes, and

(2) the State may distribute any local sales taxes collected pursuant to this title in accordance with State law.

SEC. 05. RETURN AND REMITTANCE REQUIREMENTS.

(a) **IN GENERAL.**—A State may not require any person subject to this title—

(1) to file a return reporting the amount of any tax collected or required to be collected under this title, or to remit the receipts of such tax, more frequently than once with respect to sales in a calendar quarter, or

(2) to file the initial such return, or to make the initial such remittance, before the 90th day after the person's first taxable transaction under this Act.

(b) **LOCAL TAXES.**—The provisions of subsection (a) shall also apply to any person required by a State acting under authority of this title to collect a local sales tax or in-lieu fee.

SEC. 06. NONDISCRIMINATION AND EXEMPTIONS.

Any State which exercises any authority granted under this title shall allow to all persons subject to this title all exemptions or other exceptions to State and local sales taxes which are allowed to persons located within the State or local jurisdiction.

SEC. 07. APPLICATION OF STATE LAW.

(a) **PERSONS REQUIRED TO COLLECT STATE OR LOCAL SALES TAX.**—Any person required by section 03 to collect a State or local sales tax shall be subject to the laws of such State relating to such sales tax to the extent that such laws are consistent with the limitations contained in this title.

(b) **LIMITATIONS.**—Except as provided in subsection (a), nothing in this title shall be construed to permit a State—

(1) to license or regulate any person,

(2) to require any person to qualify to transact intrastate business, or

(3) to subject any person to State taxes not related to the sales of tangible personnel property.

(c) **PREEMPTION.**—Except as otherwise provided in this title, this title shall not be construed to preempt or limit any power exercised or to be exercised by a State or local jurisdiction under the law of such State or

local jurisdiction or under any other Federal law.

SEC. 08. TOLL-FREE INFORMATION SERVICE.

A State shall not have power under this title to require any person to collect a State or local sales tax on any sale unless, at the time of such sale, such State has a toll-free telephone service available to provide such person information relating to collection of such State or local sales tax. Such information shall include, at a minimum, all applicable tax rates, return and remittance addresses and deadlines, and penalty and interest information. As part of the service, the State shall also provide all necessary forms and instructions at no cost to any person using the service. The State shall prominently display the toll-free telephone number on all correspondence with any person using the service. This service may be provided jointly with other States.

SEC. 09. DEFINITIONS.

For the purposes of this title—

(1) the term "compensating use tax" means a tax imposed on or incident to the use, storage, consumption, distribution, or other use within a State or local jurisdiction or other area of a State, of tangible personal property;

(2) the term "local sales tax" means a sales tax imposed in a local jurisdiction or area of a State and includes, but is not limited to—

(A) a sales tax or in-lieu fee imposed in a local jurisdiction or area of a State by the State on behalf of such jurisdiction or area, and

(B) a sales tax imposed by a local jurisdiction or other State-authorized entity pursuant to the authority of State law, local law, or both;

(3) the term "person" means an individual, a trust, estate, partnership, society, association, company (including a limited liability company) or corporation, whether or not acting in a fiduciary or representative capacity, and any combination of the foregoing;

(4) the term "sales tax" means a tax, including a compensating use tax, that is—

(A) imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property as may be defined or specified under the laws imposing such tax, and

(B) measured by the amount of the sales price, cost, charge or other value of or for such property; and

(5) the term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

SEC. 10. EFFECTIVE DATE.

This title shall take effect 180 days after the date of the enactment of this Act. In no event shall this title apply to any sale occurring before such effective date.

BINGAMAN AMENDMENTS NOS. 145–147

(Ordered to lie on the table.)

Mr. BINGAMAN submitted three amendments intended to be proposed by him to the bill S. 1, supra; as follows:

AMENDMENT NO. 145

Insert at an appropriate place:

"For purposes of this Act, a condition of receipt of a Federal license shall not be considered a Federal private sector mandate or a Federal intergovernmental mandate."

AMENDMENT NO. 146

Insert at an appropriate place:

"For purposes of this Act, any law enforcement provision relating to organized crime

shall not be considered a Federal private sector mandate or a Federal intergovernmental mandate."

AMENDMENT NO. 147

Insert at an appropriate place:

"For purposes of this Act, any requirement for a license or permit for the treatment and disposal of nuclear and hazardous waste shall not be considered a Federal private sector mandate or a Federal intergovernmental mandate."

KERRY AMENDMENT NO. 148

(Ordered to lie on the table.)

Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 1, supra; as follows:

In the pending amendment, strike all after the first word and insert the following:

"(6) For purposes of paragraph (1)(B), the term 'Federal intergovernmental mandates' shall not include a provision in any bill, joint resolution, amendment, motion, or conference report that would apply in the same manner to the activities, facilities, or services of State, local, or tribal governments and the private sector."

SENATE RESOLUTION 62—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON LABOR AND HUMAN RESOURCES

Mrs. KASSEBAUM, from the Committee on Labor and Human Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 62

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1995, through February 28, 1996, and March 1, 1996, through February 28, 1997, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee for the period March 1, 1995, through February 28, 1996, under this resolution shall not exceed \$4,018,405, of which amount not to exceed \$22,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

b. For the period March 1, 1996, through February 28, 1997, expenses of the committee under this resolution shall not exceed \$4,111,256, of which amount not to exceed \$22,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the

Senate at the earliest practicable date, but not later than February 28, 1996, and February 28, 1997, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 1995, through February 28, 1996, and March 1, 1996, through February 28, 1997, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 63—RELATIVE TO THE CONSUMER PRICE INDEX

Mr. DORGAN (for himself, Mr. DODD, and Mr. HARKIN) submitted the following resolution, which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 63

Whereas the Board of Governors of the Federal Reserve System has maintained that the current Consumer Price Index overstates the rate of inflation by as much as 50 percent;

Whereas other expert opinions on the accuracy of the Consumer Price Index range from those indicating a modest overstatement of the rate of inflation to those indicating the possibility of an understatement of the rate of inflation;

Whereas several leaders in the Congress have called for an immediate change in the way in which the Consumer Price Index is calculated;

Whereas changing the Consumer Price Index in the manner recommended by the Board of Governors of the Federal Reserve System would result in both a reduction in Social Security benefits and an increase in income taxes;

Whereas the Board of Governors of the Federal Reserve System estimates that a 1-percentage point reduction in the Consumer Price Index, effected today, would generate \$150,000,000,000 in revenue over the next 5 years, including \$55,000,000,000 generated during the year 2000 alone;

Whereas the Board of Governors of the Federal Reserve System estimates that, of the \$55,000,000,000 in revenue estimated to be generated during the year 2000, \$27,500,000,000 would result from a reduction in Social Security benefits and \$21,400,000,000 would result from an increase in personal income taxes, which would primarily impact families with children;

Whereas the Bureau of Labor Statistics, which has responsibility for the Consumer Price Index, is working to identify and correct problems with the way in which the Consumer Price Index is currently calculated; and

Whereas calculation of the Consumer Price Index should be based on sound economic

principles and not on political pressure: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) a precipitous change in the calculation of the Consumer Price Index that would result in an increase in income taxes and a decrease in Social Security benefits is not the appropriate way to resolve this issue; and

(2) any change in the calculation of the Consumer Price Index should result from thoughtful study and analysis and should be the result of a consensus reached by the experts, not pressure exerted by politicians.

Mr. DORGAN. Mr. President, today I join my colleagues Senator DODD and Senator HARKIN to submit a sense-of-the-Senate resolution opposing any precipitous change in the way the Consumer Price Index [CPI] is calculated that is based on politics rather than sound economic analysis.

The discussion in recent days by the Speaker of the House and some others about the calculation of the Consumer Price Index reaffirms the understanding that just because a person is thoughtless doesn't mean they can't also be reckless.

The precipitous call for a change in the Consumer Price Index by the Speaker and others shows again how attracted they are to gimmicks and illusions to prop up the house of cards they call an economic strategy.

This latest suggestion that they dub as technical is one that would cut Social Security COLA's for America's elderly and increase taxes for most of America's taxpayers—all of this under something that they would describe as a technical change.

Let's review what's been said about this. Recently, Chairman Alan Greenspan of the Federal Reserve Board testified before Congress and said that in his judgment the CPI calculation overstates the CPI by 0.5 to 1.5 percent.

I will leave aside, for the moment, the question that begs to be answered. What on earth are Alan Greenspan and his buddies at the Fed doing raising interest rates six times if they think the real rate of inflation is only 1.2 to 1.7 percent.

As to the question about the calculation of the CPI, the studies that have been done—and there have been several—stem mostly from research done by the Bureau of Labor Statistics that calculates the CPI. The Fed study shows it overstates inflation by one-half to 1½ percent. The Congressional Budget Office thinks it overstates inflation by two-tenths of 1 percent to eight-tenths of 1 percent. And there are others in the academic community that think it may actually understate inflation.

This weekend, when asked about Greenspan's comments, the Speaker of the House said that he would give the Bureau of Labor Statistics people "30 days to get it right" or he would fire them and give the job to the Fed. And DICK ARMEY, the House majority leader, said he wants to change the CPI immediately. Of course the motive for both is that if they can use a gimmick

like changing the CPI they will reduce the deficit by cutting Social Security COLA's and by increasing taxes and claim it's all just technical.

The appetite to play these games to justify their economic proposals seems boundless. First they propose to change the way proposals in Congress are scored so that their proposals will look less radical. Now they do half-gainers at Alan Greenspan's suggestion that they change the CPI because they think that will be an easy fix to show a reduced deficit even though someone else—the elderly and the wage earners—will pay the price.

Because the Speaker indicated he would mandate the Bureau of Labor Statistics to make this change in 30 days or he would "zero them out of the budget" the three of us will propose today a sense-of-the-Senate amendment to the mandates bill now on the floor expressing the sense of the Senate that changes in the CPI should be a result of consensus reached by experts; not pressure exerted by politicians.

SENATE RESOLUTION 64—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. SIMPSON, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 64

Resolved, That in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1995, through February 29, 1996, and March 1, 1996, through February 28, 1997, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or nonreimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period March 1, 1995, through February 29, 1996, under this resolution shall not exceed \$1,036,481, of which not to exceed \$3,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period March 1, 1996, through February 28, 1997, expenses of the committee under this resolution shall not exceed \$1,060,341, of which not to exceed \$3,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendation for legislation as it deems advisable, to the Senate at the earliest practicable date, but not